

# Community Survivors Outwit ★ Outlast ★ Outplay

Governor's Economic Development Conference  
Nashville, TN

September 13, 2006

# Introduction

## Firm



The banner features a background image of a globe with a grid pattern, overlaid with a map of the United States. The map is labeled with various company names: BOEING, MITSUBISHI, DOLLAR GENERAL, HARLEY-DAVIDSON, NISSAN, MICHELIN, BP, TREX, and VOUGHT / ALENIA. The text 'Helping Companies Decide Where to Build' is prominently displayed in the center. Below this, a call to action reads 'Let us put your business on the map. >> CLICK HERE TO GET STARTED'. On the left, there are three small images: a globe, a map, and a handshake, each with a label: 'Site Selection', 'Economic Development', and 'Incentive Negotiation'. At the bottom left, there is a section for 'RECENT HEADLINES' with three bullet points. At the bottom right, there is a section for '2001 - 2002 - 2003 - 2004 SITE SELECTION' with the name 'WILLIAM B. DORSEY' and the title 'Service Provider Award'.

**McCallum Sweeney Consulting**  
*the geography of business®*

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BOEING MITSUBISHI DOLLAR GENERAL  
HARLEY-DAVIDSON NISSAN MICHELIN  
BP TREX VOUGHT / ALENIA

**Helping Companies Decide Where to Build**

Let us put your business on the map.  
>> [CLICK HERE TO GET STARTED](#)

**Site Selection**  
**Economic Development**  
**Incentive Negotiation**

**RECENT HEADLINES** [more...](#)

- > TVA announces that MSC has certified the Chattanooga-Hamilton County Indust...
- > MSC client Dollar General announces Marion, IN as the location for their ni...
- > MSC client BP Olefins and Derivatives announces a new commercial headquarte...

2001 - 2002 - 2003 - 2004  
**SITE SELECTION**  
**WILLIAM B. DORSEY**  
Service Provider Award



# Introduction

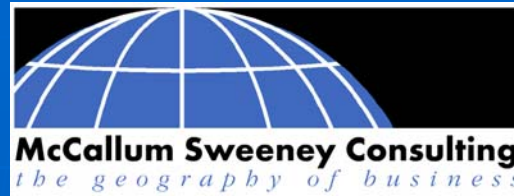
## Clients



## Site Selection

## Economic Development





# Fundamentals of the Facility Siting Process

# Fundamentals

- Profit driven
- Deadline driven
- Competitive
- Comprehensive
- Risk averse



# Facility Siting Process Fundamentals

- Profit driven
  - Investment for purpose of return
- Deadline driven
  - Both the site selection and the project
- Competitive
  - Multiple location options
- Comprehensive
  - Complex decision involving most functional areas
- Risk averse





# How Can I Survive?

## BE PREPARED!



# Preparedness

- Proactive actions and marketing
  - Marketing 101
  - Get your sites ready!
  - COMMUNICATE
- Reactive Marketing
  - Surviving in the Siting Process
  - What you should be doing to keep your community “on the island”





# Proactive Preparedness: *What should you be doing?*

- Product knowledge
  - know your community
  - strengths and weaknesses
- Customer knowledge
  - know your customer
  - opportunities and threats
- Sales skills
  - take off the ED hat put on the hard hat
  - communication skills (listening!)



# Proactive Preparedness: SITES!

Property



Sites



# Proactive Preparedness: SITES!

- What do you need?
  - Project Ready Sites
- Why do you need them?
  - Fundamentals
    - Deadline driven
    - Risk Averse
    - Competitive
  - At the end of the day, companies do not build facilities in communities they build them on sites.



# Proactive Preparedness: SITES!

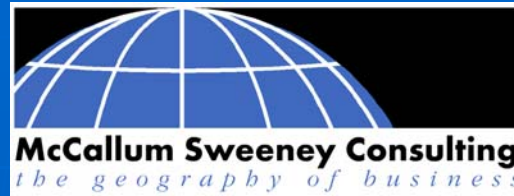
- What do we mean by “project-ready”?
  - Available: it really is for sale, preferably with established terms and conditions.
  - Fully-served: if all utilities are not already at the site, then at least plans and price tags have been developed
  - Developable: wetlands delineated and mitigated, environmental assessments (and mitigation if necessary) are complete



# Proactive Preparedness Communicate

- Face-to-face
  - Build a relationship first
  - Sell later
- Web site
- Direct mail (email)
  - Newsletters
- Conferences
  - Target Industry





# Surviving in the Siting Process

# Reactive Marketing: Basic Rules of the Road

## *Operate in a Project Environment*

- Deadline driven
  - generally unreasonable
  - not 9 to 5!
- Customer-oriented / customized
  - can't rely strictly on boilerplate
  - communication skills
- Competitive
  - very competitive environment
  - someone else doing the same thing as you, only better!





# Facility Siting Process

## Planning Phase

- Conception
- Feasibility
- Investment Decision

## Phase I

- Alignment/Criteria
- Regional Analysis
- Areas of Interest
- Candidate Communities
- Issue RFP
- Candidate Communities

## Phase II

- Community Visits
- Site Evaluation
- Comparative Analyses
- Finalist Communities

## Phase III

- Negotiations
- Evaluation
- Site Due Diligence
- Risk Analysis
- Selection
- Announcement



# Surviving in the Site Selection Process: Phase I

- Areas of Interest
  - Have already survived major screen
  - Web site / internet communication
- Request for Proposal
  - Will focus on local issues
  - Less likely to ask for basic, secondary source information
  - Common to have follow-up questions



# Process – Phase I:

## *What should you be doing?*

- Put on your hard hat ...
  - Understand your target industries: what is important to those industries, and what do they require in a facility location.
- ... and your Economic Developer hat!
  - Understand your community and its strengths and weaknesses as a location for your target industries



# Process – Phase I:

## *What should you be doing?*

- Have a great website – can prospects find you quickly and find out what they need to know about your community
- Image building – are you top of mind to decision makers in your key target industries?
- Relationship marketing – do we know you? Do we know your community?



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# Surviving in the Site Selection Process: Phase II

- Phase II Field Work
  - Support for multiple visits
    - Visit and site booklets
    - Itineraries (with names)
    - Maps!
  - Detailed information gathering
    - Site, operating and living conditions
    - Lots of numbers!
  - Follow instructions!



# Process – Phase II

## *What should you be doing?*

- Answer the questions
- Meet the deadlines!
- Know your site and building products – be prepared to answer detailed questions
- Provide back up documentation as requested
- Provide support for multiple site visits
- Be prepared to provide lots of information and data





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# Surviving in the Site Selection Process: Phase III

## ■ Incentives

- Know your weaknesses – make sure your incentives mitigate those weaknesses
- Be prepared for customized incentive evaluations and lots of “what if” scenarios
- Know when to hold ‘em; Know when to fold ‘em
- Don’t write a check your ...

## ■ Incentive Due Diligence

- Be prepared to provide back-up documentation on incentives – specifically on process and legal authority



# Surviving in the Site Selection Process: Phase III

## ■ Site Due Diligence

- Be prepared to provide back-up documentation on site characteristics
  - Soils evaluation / geotech investigation
  - Environmental phases (I and II)
  - Wetlands delineation
- Be prepared for site acquisition negotiations
  - Purchase option / purchase terms
  - Boundary surveys
  - Utility access
  - Transportation access
  - Financing alternatives



# Process – Phase III

## *What should you be doing?*

- Be responsive
  - Have relevant subject-matter experts on hand to answer questions
- Be professional
  - It can be intense, don't let it get to you
- Stand out from the crowd
  - Opposition Research
- Go the extra mile ...
  - ... but don't overstep the boundaries



# Surviving in the Process: Phase III

## ■ Selection

- Be patient...
- .. but not too patient

## ■ Communication

- Recognize that the company and community will have different objectives
  - Manage
  - You will have an opportunity to get your word out even if it is not on announcement day
- Typically short preparation deadline



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